UNITED NATIONS

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Economic and Social Council

Distr.
GENERAL

E/1992/21/Add.1
20 July 1992

ORIGINAL: ENGLISH

Substantive session of 1992
29 June-31 July 1992
Agenda item 11

REGIONAL COOPERATION

Second report on the cost benefit of office accommodation at ECLAC, Port of Spain (Trinidad and Tobago)

Note by the Secretary-General

The Secretary-General has the honour to transmit to the Economic and Social Council his comments on the report of the Joint Inspection Unit entitled "Second report on the cost benefit of office accommodation at ECLAC, Port of Spain (Trinidad and Tobago)" (JIU/REP/92/2), which was transmitted to the Council in document E/1992/21.

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INTRODUCTION

1. The present study was initiated by the Joint Inspection Unit (JIU) as a follow-up to the previous JIU report undertaken in 1987 (JIU/NOTE/87/2). While the first report dealt with the questions of the rational use of space and the location of offices at the headquarters of the Economic Commission for Latin America and the Caribbean (ECLAC) in Santiago, Chile, this study is aimed at solving the problem of functional accommodation of the ECLAC subregional office at Port of Spain, Trinidad and Tobago. The capacity for further expansion in accommodation, which affects the efficiency and effectiveness of the office, is very restricted and this situation prevents the orderly fulfilment of the day-to-day tasks of the regional economic subcommission.

2. Since 1988, the present premises of the subregional office have been rented from the Trinidad Publishing Company at an annual cost of about $90,000, paid entirely from the ECLAC budget. For various reasons described in the report of the Inspector, the offices have reached a critical point and cannot expand at all in the building they now occupy. However, such expansion is necessary owing to the growth of programmes in the area, which in turn demands an increase in service capacity.

3. As an alternative solution to the problem, the Inspector suggests considering the possibility of constructing an international centre, with the participation of all the agencies having their offices in Port of Spain, on a piece of land that the Government of Trinidad and Tobago has promised to donate at no cost to the United Nations or the agencies. He recommends immediate talks with the Government of the host country, leading to the donation of the piece of land.

4. As a second step, the Inspector recommends that a study be made to work out "the financial arrangements required for the building work to be done once the present lease with the Trinidad Publishing Company expires". The Inspector further recommends that all the agencies that have their offices in Port of Spain and are potential co-sponsors of the proposed building project, (ECLAC, UNDP, FAO, UNESCO and ILO) should alert their respective organizations to the savings they would achieve by having their own land and buildings. Those agencies should also emphasize, in their cost rationalization studies, the savings and benefits in terms of safety, transportation, maintenance and other cost reductions to be obtained from locating all the agencies in the same place.

I. GENERAL COMMENTS

5. The forecast in the report that a critical point will soon be reached in the operation of the building in the city of Port of Spain, occupied by the ECLAC Caribbean office has proved to be true and on target. The Inspector correctly draws attention to such important factors as the lack of office

space, limited storage space, the lack of fire protection, the problems of safety and of difficult access to the building because of its location in the centre of the city, and the lack of parking space for the employees of the office and the visiting public. These factors have further complicated the provision of services, which are expanding steadily because of the increase in the number of members and associate members of the Commission in recent years.

II. COMMENTS ON SPECIFIC PARAGRAPHS OF THE REPORT

6. In the view of ECLAC, the organization concerned, the alternative proposed by the Inspector in paragraphs 11-14 of his report, seems coherent and rational from a cost-benefit analysis standpoint. The basic premise of the alternative is that it will be possible to save on rent once the initial cost of the new facilities has been covered by an amount equivalent to aggregate rental payments, at the current rent, for two bienniums. But in order for this proposal to be implemented it would be necessary first to confirm the willingness of the Government of Trinidad and Tobago to transfer to the Organization, at no cost, a piece of land in the Chaguaramas area.

III. COMMENTS ON RECOMMENDATIONS

Recommendation No. 1

7. In line with the recommendation of the Inspectors, ECLAC, in coordination with other offices of the United Nations system at Trinidad and Tobago, will begin consultations with the Government of Trinidad and Tobago to determine whether the piece of land mentioned in the Inspectors' report would be donated to the United Nations.

Recommendation No. 2

8. As soon as a firm commitment has been obtained from the Government donating the aforementioned property to the United Nations, ECLAC, in consultation with the Office of General Services, would examine the construction costs and the viability of the project. The Secretary-General would then initiate consultations with the specialized agencies and other United Nations bodies at Trinidad and Tobago to determine their intentions regarding relocation to the site provided by the host Government. The financing of the project would also be determined at that time on the basis of agreements reached with prospective tenant organizations. On the basis of firm commitments from these organizations, arrangements would then be initiated by the Secretary-General for the construction of the offices, in accordance with the recommendations of the Joint Inspection Unit on building construction procedures of United Nations organizations (JIU/81/4 and A/36/297), as commented upon by the Advisory Committee on Administrative and Budgetary Questions (A/36/643) and the Secretary-General (A/36/297/Add.1).